Trendlines

March/April 2010

Perspectives on Utah's Economy

a review of utah's industries

PLUS

Department of Workforce Services

Trendlines

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The Workforce Development and Information Division generates accurate, timely, and understandable data and analyses to provide knowledge of ever-changing workforce environments that support sound planning and decision-making.

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Trendlines

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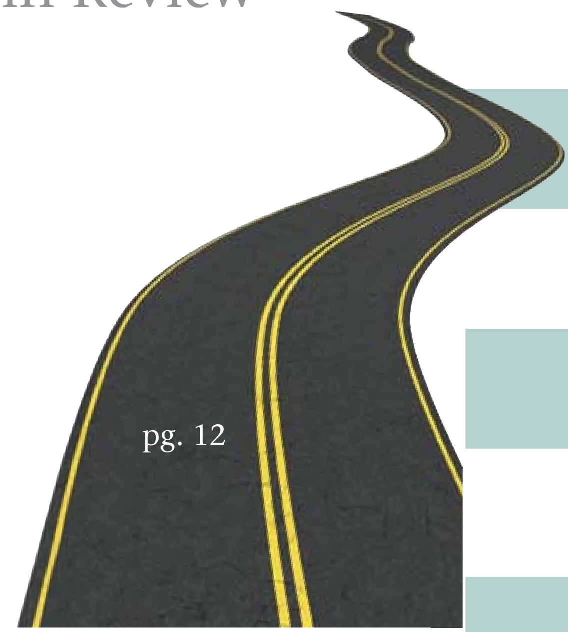
Utah's Industries in Review



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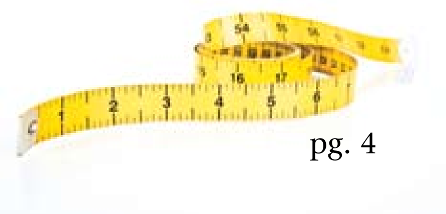

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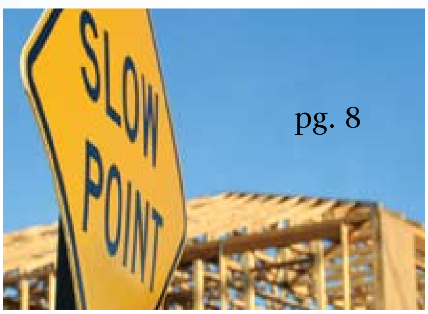

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Quantifying Utah's Recent Job Losses

The worst of the current economic downturn now appears to be behind Utah and the nation. August 2009 seems to have been the employment low point. Over the past year (from August 2008 to August 2009), Utah's economy contracted by over 73,000 jobs.

With the possible exception of the Great Depression (of which we do not have official employment counts), Utah's economy has never contracted by this many jobs. The national economic downturn has been both powerful and pervasive, severely hitting at capitalism's heart and soul—its credit markets. Employers were quite aggressive in scaling back employment in response to the sharp downturn in economic demand. Utah was no exception.

The amount of job loss over the past year is greater than any amount of job creation Utah experienced in a year's time. Utah's best 12 months of job growth occurred between June 2005 and June 2006, when 62,500 jobs developed.

But just like the 73,000 12-month job loss by August 2009, that represents an extreme. Average 12-month job growth since 1995 has been more along the lines of 23,000. If Utah were to return to this average, it would take over three years for the Utah economy to recoup the same number of jobs it had before this current downturn began. Considering that it may take a portion of 2010 just to stabilize further job losses, it will take longer than three years to recapture these jobs.

Utah's last economic expansion began in July 2003, lasting for five years. It peaked in 2008 with total job creation of over 180,100. The current downturn has removed over 70,000 of those jobs, roughly 39 percent of the jobs gained in that expansion.

When all is said and done, the last seven years in Utah will record job growth, but it will have been a ride of ups and downs along the way.

When all is said and done, the last seven years in Utah will record job growth, but it will have been a ride of ups and downs along the way.

Did you know...

- Utah's unemployment rate and job losses continue to climb. http://www.deseretnews.com/article/705360024/Utah-jobless-rate-rises-to-67.html
- Utah home sales are up, but prices are still going down. http://www.sltrib.com/business/ci_14278818
- Utah had the fifth-worst rate of foreclosure filings among the states in 2009. http://www.deseretnews.com/article/705358390/Foreclosures-soaring-in-Utah.html

Job Losses
By Size of Establishment

A January Newsweek magazine article underlining the current recession stated, "…the small- and medium-size firms that generate the majority of new jobs at home have been hurt most by the financial crisis as their lines of credit have dried up." No source was given to support this claim, yet can data be found in Utah that might support this view? The answer appears to be yes.

Establishments are categorized by their magnitude of employment. What constitutes a small or medium size business as cited in the Newsweek article is probably based upon the definition established by the U.S. Small Business Administration. That advocacy organization identifies small businesses as those who employ fewer than 500 workers.

Utah's employers can also be quantified into employment-size categories. March 2009 data is profiled, both because a yearly Utah Department of Workforce Services publication highlights the March employment size by establishment, and also March 2009 is roughly six months into the worst of the employment contraction—a contraction that intensified after September 2008. Therefore, a comparison of March 2009 data against March 2008 captures enough of the eventual employment decline to offer a representative profile of employment losses according to size of business.

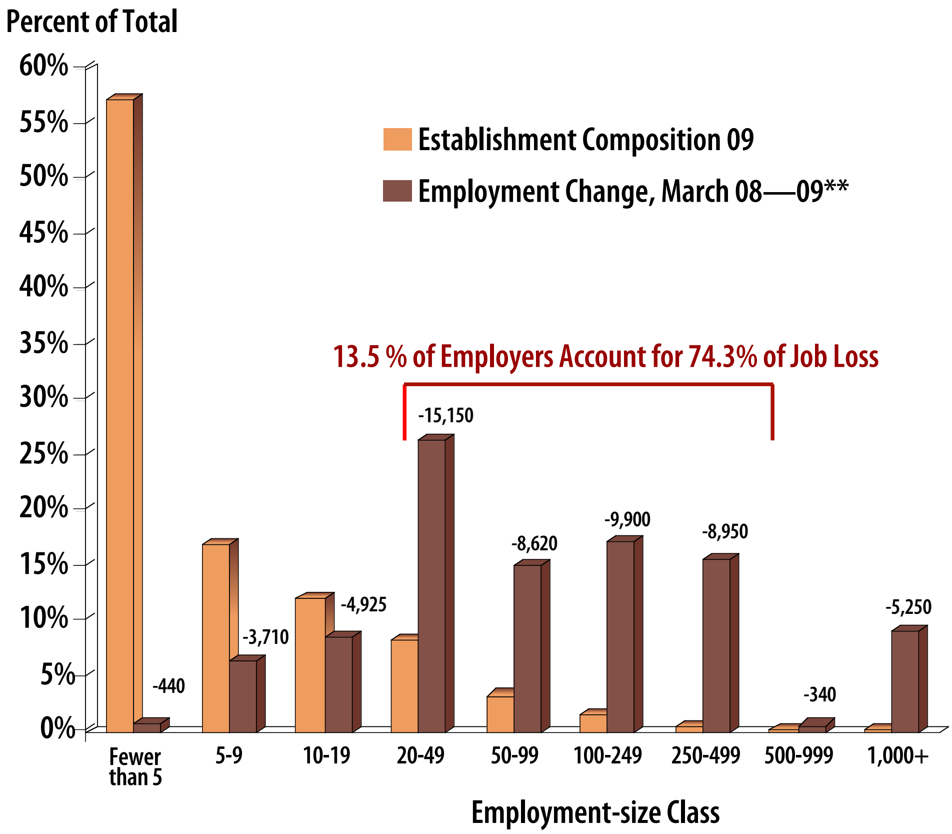
Between March 2008 and March 2009, Utah's employers shed over 57,000 jobs. The accompanying graph reveals that it truly is the small- to medium-size firms that have cast off the bulk of these jobs. Only 14 percent of all the state's employers account for 75 percent of those 57,000 jobs lost. The largest job-loss impact is within establishments with an employment size of 20 to 499, with the largest single group being the 20-to-49 employee range.

The Newsweek article said the drying up of lines of credit has impacted these sizes of firms the most. Economists here at Workforce Services agree with that assessment. The Utah size-of-establishment profile was actually reviewed by the Department's economists several weeks before the Newsweek article came out. When quizzed as to why the Utah employment loss profile looked like it did, the consensus answer included the credit restrictions—the same conclusion that the Newsweek article presents.

Very small businesses (fewer than 10 employees) may have their own way of financing operations that don't extensively reach into the credit community for help. At the other end of the spectrum, the largest firms have the internal resources and wherewithal to run and finance their operations without outside credit. Establishments in between are often in a position to need credit lines to meet payrolls, to bridge the seasonal cycles often associated with product sales, or to expand product lines and grow to a larger size. For these and similar reasons, these size establishments are vulnerable to the nuances of the credit markets, which is why their employment levels were the most negatively impacted.

Utah Employment By Establishment Size

Percentage of 57,300 Year-Over Job Loss
by Employment-Size Class • 2008—2009*



Source: Utah Department of Workforce Services. March Employment Comparison.
*** Employment Change percentages are actually negative percentages.*
Note: Employment losses have been rounded.

Between March 2008 and March 2009, Utah's employers shed over 57,000 jobs. It is the small- to medium-size firms that have cast off the bulk of these.

CONSTRUCTION IN UTAH

THE INDUSTRY HARDEST HIT IN THE RECESSION

Construction in Utah, and just about anywhere else, has taken a huge hit in this recession. The industry hasn't vanished, but has lost 30 percent of its workers due to lack of demand, overbuilding, and the collapse of the finance/funding sector. Construction, by its nature, is not an easily understood and predictable sector in the economy. It is, in fact, the hardest industry of any size to forecast because of its volatility.

JOB LOSSES HIGHEST OF ANY INDUSTRY.

Of the total 65,000 jobs in Utah lost between September 2008 and September 2009, nearly 20,000 were in construction alone—a drop of 21 percent. Manufacturing was next closest shedding some 13,000 jobs or 10 percent of its total jobs. Construction employment peaked in 2007 for an annual average count of 103,400. That's also the same year the national recession started (December of 2007). The graphs show construction's employment history and change.

1990S, THE DECADE OF UNPRECEDENTED GROWTH.

Because of a hot economy, easy access to financing, and continued high population growth, net immigration, and family formation, construction employment more than doubled during the decade. Six years of double-digit growth in jobs was experienced. That has not occurred before, or again. Construction employment jumped from 27,800 in 1990 to 72,200 in 2000 when the dot-com recession let the air out of the balloon of growth at the turn of the century.

THE 2000'S BROUGHT MORE GROWTH, AND THEN CONSTRUCTION COLLAPSED.

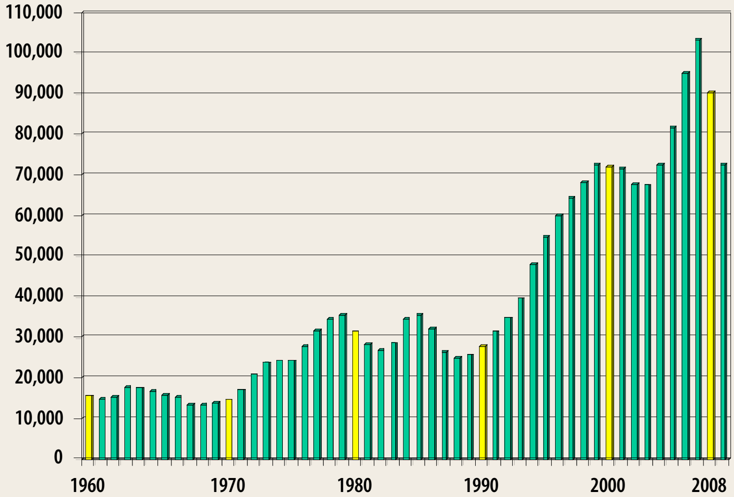
In 2004 the industry felt more demand as it experienced a 7.4-percent jump from the -0.4 percent decline of the previous year. For two more years –2006 and 2007—construction was on fire with growth rates in the teens. As the recession struck in late 2007, one of the first notable signs was the drying up of demand in construction, both in the residential and non-residential sectors. The economy came to a grinding halt in the fall of 2008 with the meltdown of the financial sector which then choked off funding for the construction industry.

From a low of 67,600 jobs in 2003 the industry had grown by about 33,000 to peak at 103,400 in 2007. It fell to 90,000 in 2008, and continued its slide back to about 72,000 jobs by September of 2009. In terms of the rate of decline in the industry, the graph shows what happened between 2005 and 2009 by month. It is easy to see the "turn" in the economy in December of 2007 and the start of the freefall in construction jobs the same month.

The term "collapse" in the heading may be a little strong. Not all jobs in construction disappeared. What happened was that the jobs gained in the last decade are gone. Employment rose from the 72,200 level in 2000 to peak at 103,400 in 2007 and dropped dramatically to the current (September 2009) level of 72,900. Unfortunately, the decline will continue for a while. Until housing inventories are absorbed and financing gets easier, the demand for construction and construction jobs will remain very weak.

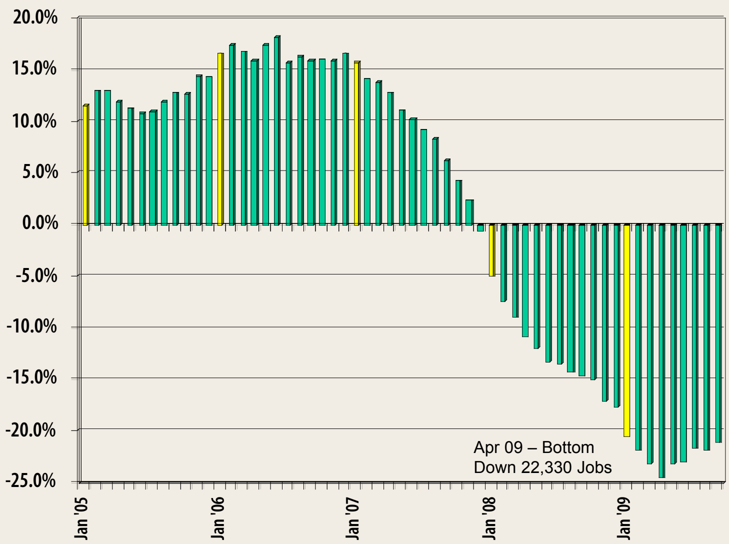
The recession may or may not be over, but recovery in employment terms could take months or even years. Jobless recovery from a recession may be experienced more poignantly in the construction industry. We may not see the extraordinary alignment of the planets that spawned the dramatic employment growth of he 1990s, or the mid-2000s again. Utah's economy will recover but the construction resurrection will be slower to show up relative to other industries in the state.

UTAH CONSTRUCTION EMPLOYMENT
1960-2009



Source: Utah Department of Workforce Services.

UTAH YEAR-OVER CONSTRUCTION EMPLOYMENT GROWTH RATES
2006-2009*



**2009 third quarter data is preliminary.*
Source: Utah Department of Workforce Services: Jan 2010

ON A POSITIVE NOTE, THERE ARE PROJECTS IN PROGRESS THAT WILL BENEFIT THE CONSTRUCTION SECTOR:

- City Creek Center
- Ebay Computer Center
- NSA Data Center
- Federal Courthouse
- Kennecott Molybdenum Smelter
- Milford Wind Corridor
- Falcon Hill
- UTA FrontRunner South and TRAX

THE FINANCIAL

At the heart of any discussion on the causes of the recent recession lies the "supersector" industry dubbed financial activities by the Bureau of Labor Statistics. Speak of panics, TARP, sub-prime loans, mortgages, derivatives, toxic loans, and bailouts and you'll soon be talking about institutions included in the financial activities industry.

However, while this industry does include banks, mortgage brokers, credit unions and central banks, it also includes insurance companies, real estate management, and rental/leasing firms. Among the largest financial activities firms in Utah you'll find Zions First National Bank, Wells Fargo Bank, and Discover Card Services.

How Big?

In 2008, the financial activities industries encompassed more than 74,000 Utah jobs—roughly 6 percent of total nonfarm employment. Over the past decade and a half, financial activities payrolls have grown faster than employment in general. Back in 1993, industry employment measured only 5.2 percent of total nonagricultural employment compared to almost 6 percent today. Roughly two-thirds of financial activities jobs can be found just in Salt Lake County.

Taking Its Toll

Not surprisingly, the recession has taken its toll on financial activities payrolls. This industry started losing employment before many other industries. Between August 2008 and August 2009 (the probable low-point of the recession), financial activities employment slipped by 3 percent—almost 2,500 positions. On the other hand, this loss proved smaller than employment declines in general which averaged almost 6 percent in the same time period.

The Averages

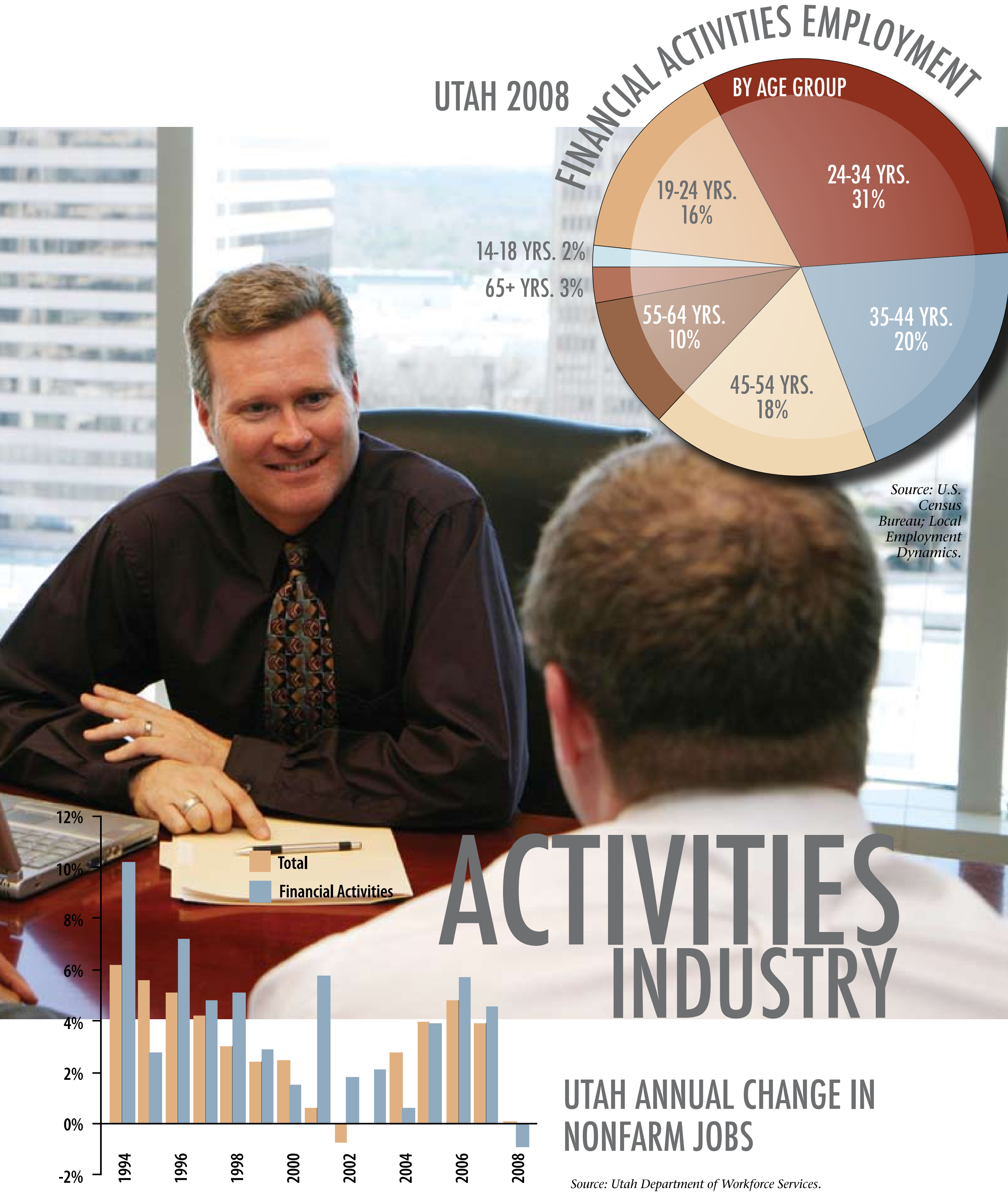
In 2008, the average monthly Utah financial activities wage measured just more than $3,900. That's 25 percent higher than the statewide figure and ranked second only to mining. The high-wage, high-bonus banking and financial sectors are the primary reason for this industry's impressive wage status. The industry hires few workers under 25. However, workers 25-34 show the largest share of financial services employment. In addition, females predominate in the industry. Women held roughly 57 percent of financial activities jobs in 2008 compared to only 46 percent of total jobs.

For more information on the financial activities industry, see:

- http://jobs.utah.gov/opencms/wi/statewide/ifsheets/realestateleasing.pdf
- http://jobs.utah.gov/opencms/wi/statewide/ifsheets/financeinsurance.pdf

ACTIVITIES INDUSTRY

UTAH 2008



Source: U.S. Census Bureau; Local Employment Dynamics.

UTAH ANNUAL CHANGE IN NONFARM JOBS

Source: Utah Department of Workforce Services.

Long Road Ahead

In December 2009, the U.S. labor market completed its second year of widespread job losses. Employment peaked with 138.2 million payroll jobs in December 2007. More than eight million jobs have been shed through December 2009, a reduction of 5.8 percent. Since WWII, there have been 11 recessions in the U.S. The most severe, (prior to the current recession, in terms of job loss), began in November 1948 and recorded 5.2 percent job loss from peak employment.

In the current, extraordinarily difficult, labor market, about 15.3 million people are unemployed. The unemployment rate has been about 10 percent for several months; not quite as high as the post-WWII record of 10.8 percent reached in the 1981 recession.

The duration of unemployment is setting new records since the statistic was first tracked in 1948. The average weeks of unemployment rose to 29.1 by December 2009, with the previous high during any other recession being 21.2 weeks in July 1984. There were 6.1 million workers who have been unemployed for half a year or more. This is a record 4.0 percent of the labor force.

The labor force, as defined by the U.S. Bureau of Labor Statistics (BLS), consists of all civilians 16 years of age and older who have a job (full or part-time) plus the unemployed—who must be actively looking for work during the previous four weeks. During 2007 and 2008, about 66 percent of persons 16 and above were in the labor force. This "labor force participation rate" has been declining over the past year or so, particularly in the last half of 2009, dropping to 64.6 percent in December 2009; the lowest level since August 1985. From July 2009 to December 2009, an estimated 1.3 million people left the labor force. They do not have jobs and are not actively seeking work.

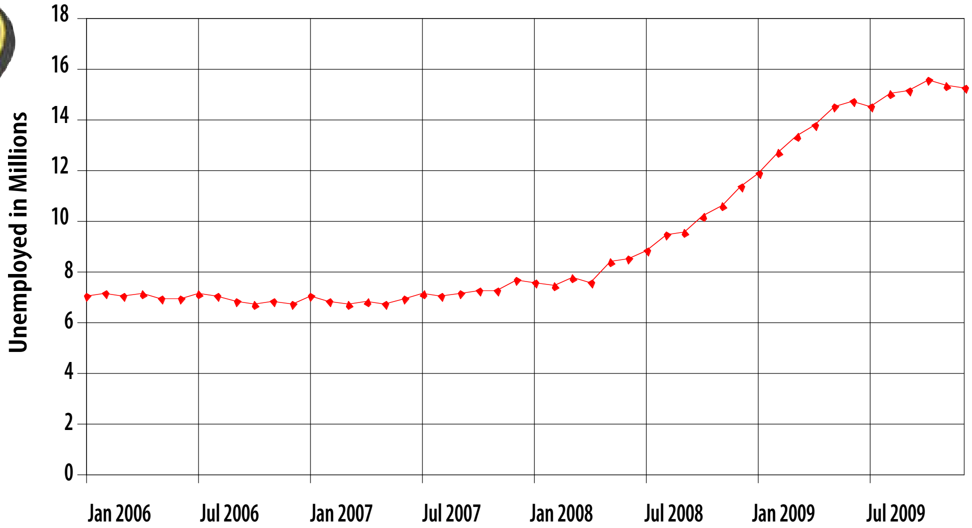
When the prospects of finding a job are so unpromising, some drop out of the labor market to seek additional schooling or training, to care for household family members, to wait for an upturn in hiring in the future, etc.

Increased production of goods and services, as measured by real gross domestic product, resumed in the U.S. during the second half of 2009, yet the labor market can experience a considerable lag before its indicators show improvement. In order for the job market to improve noticeably, increasing hours and new hiring must grow at a sufficiently rapid pace to remove the substantial slack in the labor force. Labor demand must intensify enough to increase the hours of part-time workers who desire full-time work, to absorb the natural growth of workers due to normal population increase, to account for reentrants who will join the labor force as job opportunities become more prevalent, and to hire millions of the unemployed.

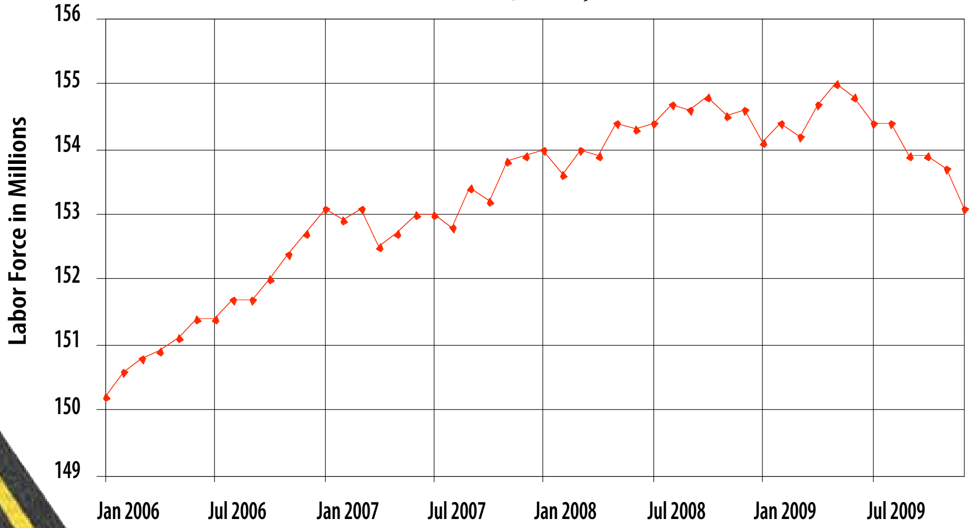
It would take an average of 300,000 net new jobs each month for about three years to achieve the healthy and vibrant labor market desired. The worry now for 2010 is that any economic expansion will be anemic; leaving the labor market stressed with relatively small job increases.

When the prospects of finding a job are so unpromising, some drop out of the labor market to seek additional schooling or training, to care for household family members, to wait for an upturn in hiring in the future, etc.

Unemployed in the United States (seasonally adjusted)



U.S. Civilian Labor Force (seasonally adjusted)



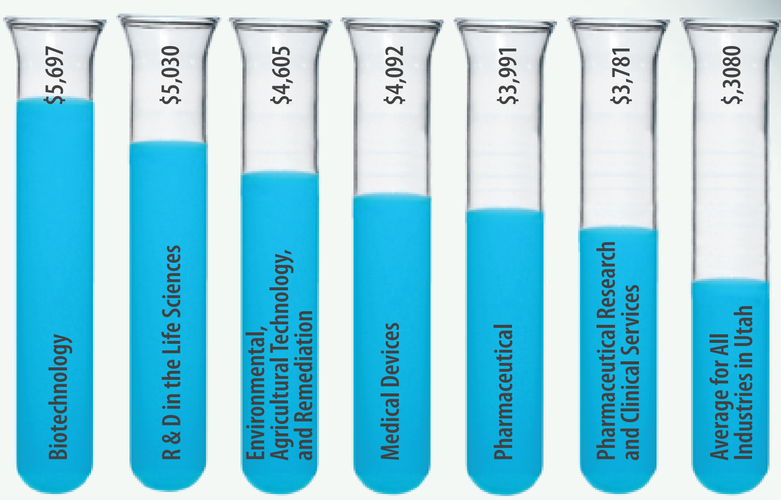
Source: U.S. Bureau of Labor Statistics.

Industries of LIFE

Discovering new medicines and medical devices to increase longevity and improve the quality of life. . .

Average Monthly Wages in the

Life Sciences



Source: Utah Department of Workforce Services.

The life science industries in Utah have exhibited strong, steady growth over the last decade. Moreover, workers in these industries receive some of the higher average wages in the state. But what exactly are the life sciences?

Broadly, the life sciences are those branches of science that focus on living organisms and study their life processes and relationships to the environment. In more practical terms, the life sciences are largely concerned with the discovery and production of new medicines and medical devices for the purpose of increasing longevity and improving the quality of life. Industries involved with cleaning up the environment and disposing of hazardous waste may also be included.

Utah's working definition that determines which industries are counted among the life sciences was developed by the Department of Workforce Services in conjunction with the Governor's Office of Economic Development. A total of 23 industries make up the life science cluster and they are organized into six groups, which are listed below along with a description of the types of activities performed in each group.

- Biotechnology: Biotechnology-related manufacturing and research and development.
- Pharmaceutical: Pharmaceutical preparation manufacturing.
- R&D in the Life Sciences: Research and development in physical, engineering, and life sciences.
- Medical Devices: Manufacture of surgical instruments, dental equipment, irradiation apparatus, and electromedical devices.
- Pharmaceutical Research and Clinical Services: Dialysis centers, imaging centers, and medical research laboratories.
- Environmental, Agricultural Technology, and Remediation: This group is a catchall that includes environmental consultation and remediation, pesticide and agricultural chemical manufacturing, and hazardous waste collection and treatment.

Over the past nine years, life science industries employment has grown by more than 27 percent, 17 percentage points

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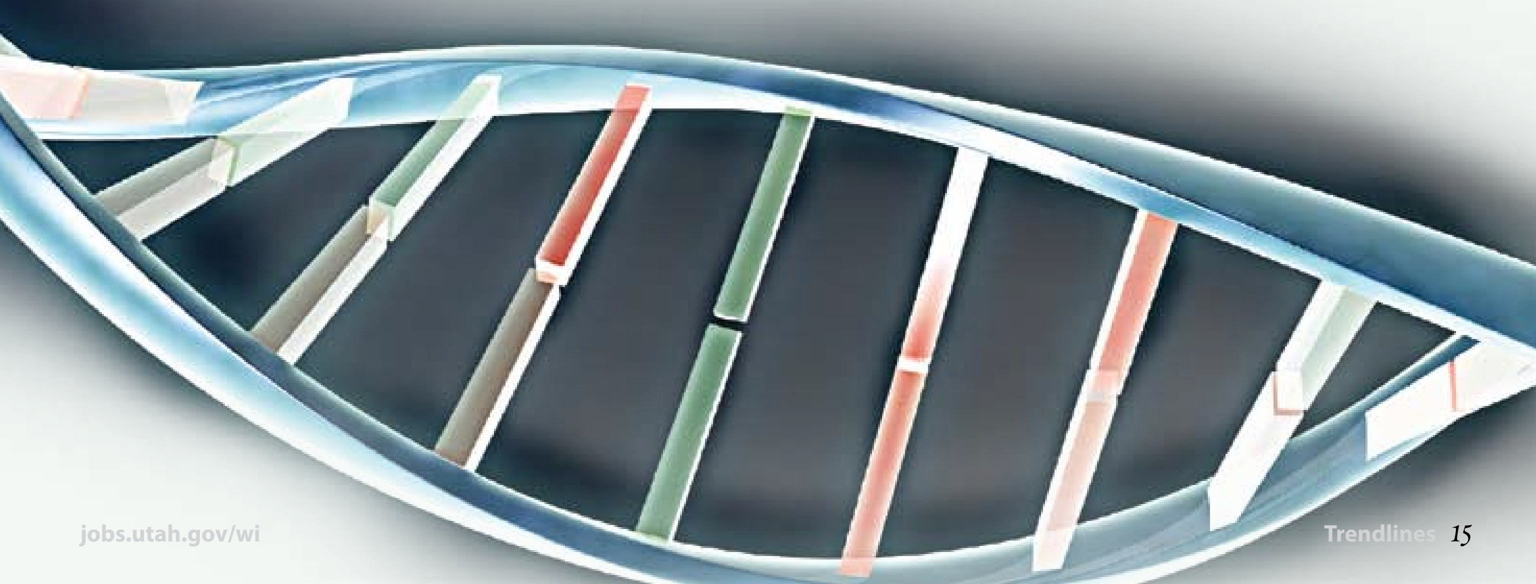


more than total employment growth for the State of Utah over the same period. Expanding by 47 percent during the last nine years, healthcare has exhibited the largest growth among the major industrial sectors and this is closely related to the growth in the life science industries. Many of the goods produced by the life science industries are used in association with the services provided by the healthcare industry. When the healthcare industry does well, we should expect it to pull life sciences along with it.

Like healthcare, the life science industries have done well during the recession. While total employment in Utah contracted by roughly 5.5 percent from September 2007 to September 2009, employment in the life sciences expanded by 6.8 percent during this same period.

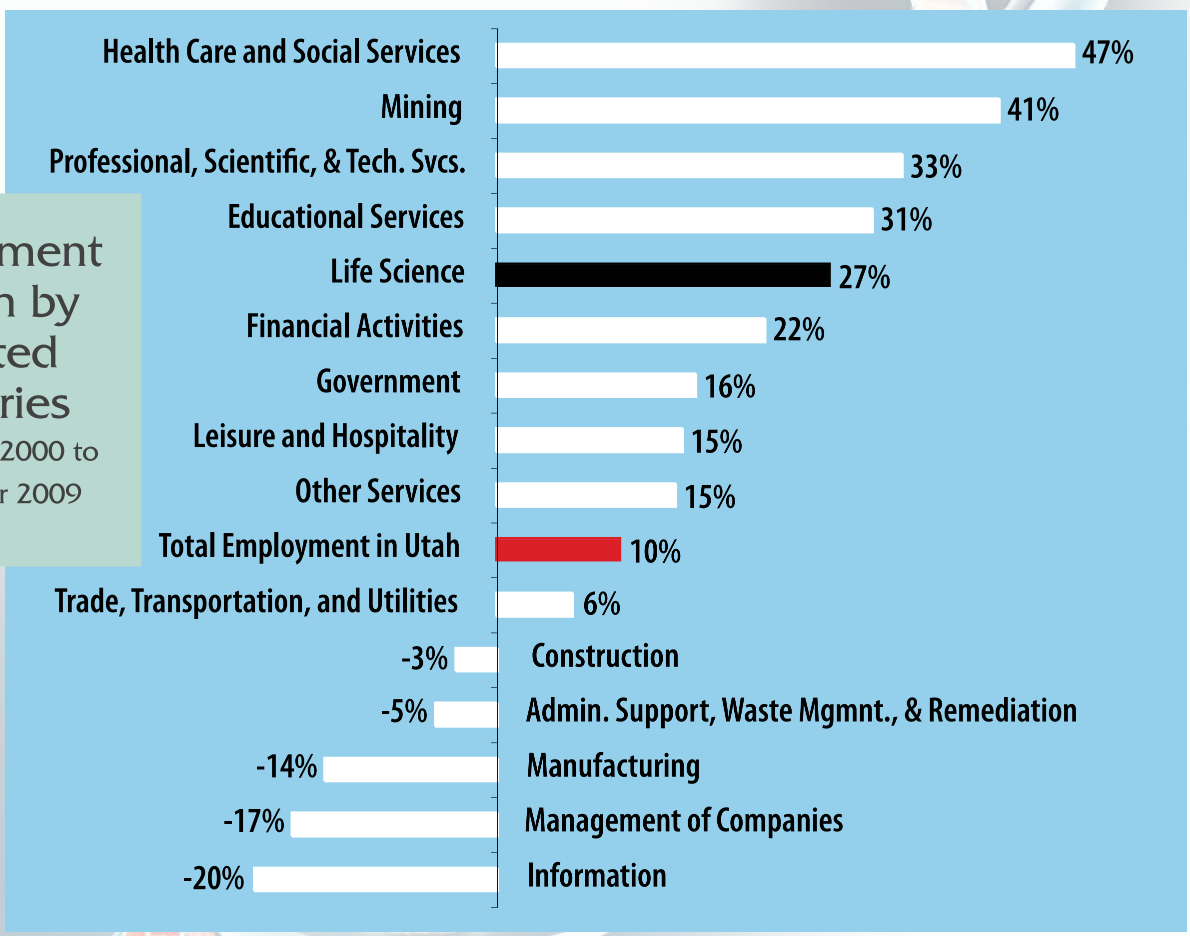
Although the life science industries are growing rapidly, together they still only constitute a relatively small portion of all jobs in Utah. In the third quarter of 2009, the average number of life science jobs was approximately 25,000, which represents about 2.1 percent of total employment in the state.

The life science industries pay some of the higher average wages in Utah. Each of the six life science groups pays an average monthly wage that is significantly better than the state average (see graph).

Just as in the case with employment, the high demand for healthcare services translates into high demand for the goods produced by life sciences, which helps explain the higher wages in these industries.

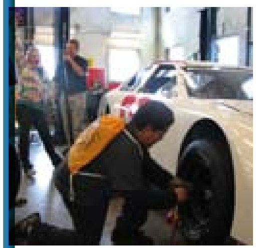
Employment Growth by Selected Industries

3rd Quarter 2000 to 3rd Quarter 2009



Note: The life science industries normally fall under the healthcare, manufacturing, administrative support/waste mgmnt/remediation, and professional/scientific/technical services sectors. In the graph above, all life science industries were removed from these sectors to avoid double counting.

Source: Utah Department of Workforce Services.



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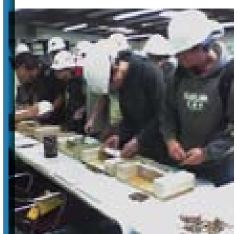
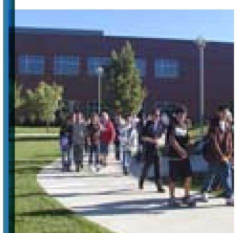
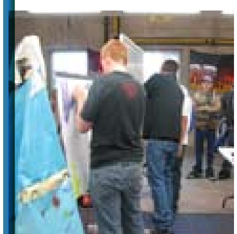
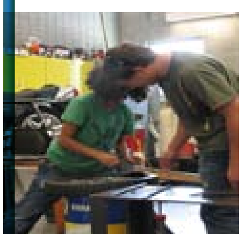
Legacy Events Center - Farmington, Utah
anticipated attendance: 6,000

April 27- 28, 2010
8:00 am to 2:00 pm
Bridgerland Applied Technology College - Logan, Utah
anticipated attendance: 3,000









Preparing the youth of today for the careers of the future is what Utah Career Days is all about! Too many students leave high school without an idea of what kind jobs or careers that are available in todays workplace.

We need your help! Utah Career Days is an innovative workforce development tool designed to provide high school and junior high students with hands-on exposure to diverse and exciting careers and to provide a pipeline of professionals for tomorrow.

To make this event a meaningful experience for the students involvement is the key and we are writing to invite your business to become a sponsor and exhibitor at this event.

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For additional information, visit our web site or contact Melisa Stark, (801) 628-4051, mstark@utah.gov or Debby Nordfelt, dnordfelt@utah.gov, (801) 526-9275.

For information on the Career Days at BATC, contact: Gloria Peterson, (435) 750-3224

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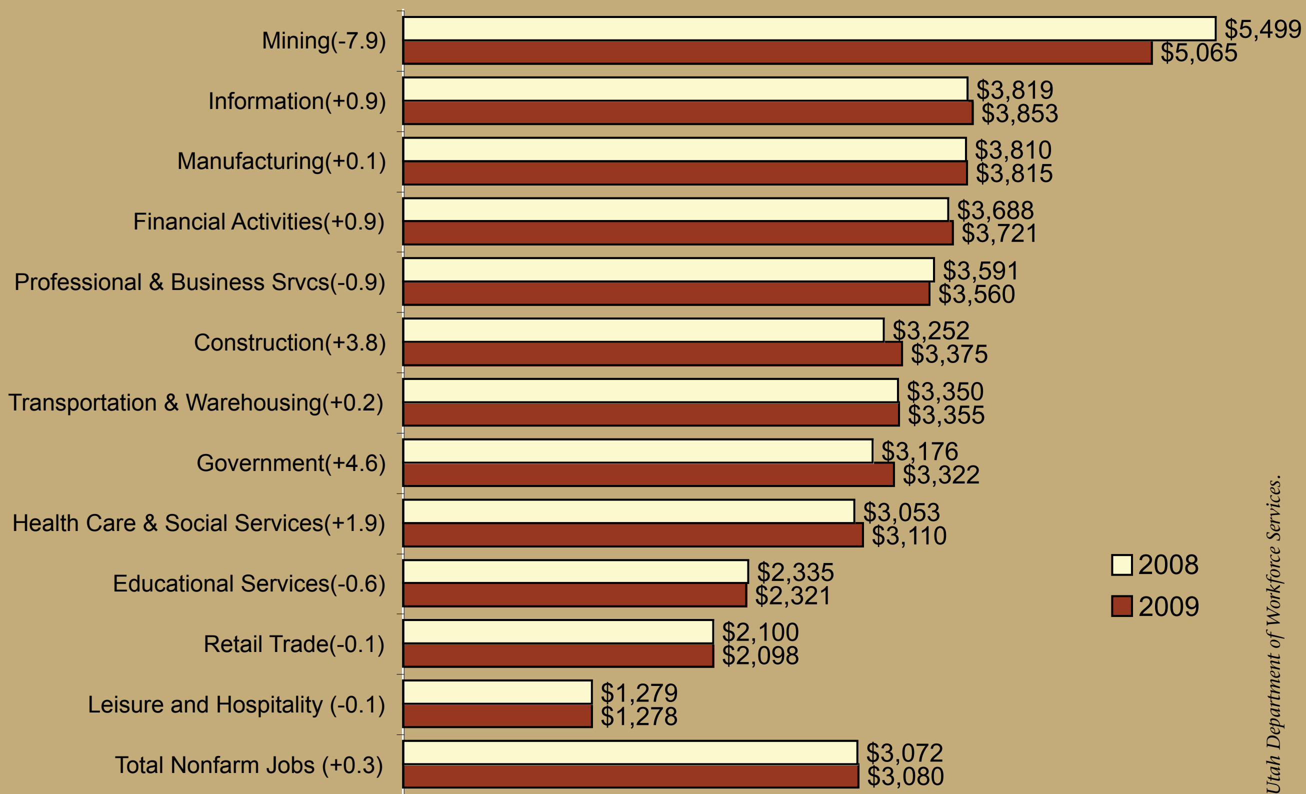
Utah Career Days provides high school and junior high students with hands-on exposure to diverse and exciting careers and provides a pipeline of professionals for tomorrow. Through interactive exhibits students will discover the technical skills required to be successful and learn about internships, registered apprenticeships, career and training resources in the industries of energy, automotive/diesel, construction, aerospace, engineering, manufacturing, and "green jobs." What a great opportunity to educate students, parents and teachers about today's advancing industries and assist with dispelling old myths and stereotypes. Some 9,000 students are anticipated to attend. Utah Career Days is a public/private partnership of industry, education and state representatives. For more information contact Debby Nordfelt, dnordfelt@utah.gov, 801 526-9275.

Average Monthly Wage by Industry in Utah

3rd Quarter 2008 and 3rd Quarter 2009



Note: Year-over percent change is in parentheses.

Source: Utah Department of Workforce Services.

Varied Effects of the Recession by Industry

Job losses were widespread with construction and manufacturing being the two most impacted industries. Only healthcare, private education and government industries continued to add jobs during this recession.

Utah has suffered the most severe job losses since the end of WWII. The effects of these difficult economic conditions have been felt across most industries in Utah with significant employment declines, reduced work hours, and lower household incomes.

Every quarter, Utah employers with a payroll submit employment counts and wages paid to the Department of Workforce Services in order to administer the unemployment insurance program. The most recent information available at this time is for the third quarter of 2009. These employer reports provide detail by industry of the effects on wages and employment during the recession of the past two years.

From the third quarter of 2007 to the third quarter of 2009, nonfarm payroll jobs have declined by 5.5 percent or a net reduction 69,500. Although job losses were widespread across most of Utah's industries, by far the greatest employment reductions have occurred in construction, where one-third of the jobs have been lost. Construction employers cut 35,400 jobs from their payrolls over the past two years; a little more than half of all jobs eliminated statewide during this recession. Manufacturing is the second most-impacted industry with a reduction of 16,335 or 12.7 percent of jobs (see graph on job gains and losses).

The few industry sectors that continue to add jobs during this recession were healthcare, private education, and government. The majority of job gains in government are related to education—both local public kindergarten through twelfth grade, and state-financed higher education.

In 2006 and 2007, prior to the recession, total payroll wages paid to Utahns increased, on average, by 10.1 percent each year. For the last twelve months (ending in September 2009) total payroll wages were $45.5 billion, or 3.1 percent less than the $46.9 billion paid over twelve months ending in September 2008.

The average monthly wage in the third quarter of 2009 grew just 0.3 percent above that recorded in the third quarter of 2008. Over the previous 15 years, the average monthly wage increased 3.7 percent per year.

The construction industry provides an interesting example of what can happen to per worker wages versus total industry wages during a recession. The average monthly wage per worker in the construction industry actually increased by 3.8 percent from third quarter 2008 to third quarter 2009, while total wages paid in the industry declined by 18.6 percent. The construction industry has lost many jobs, and the hours worked for many other workers have been reduced, particularly in residential construction. Many of the remaining construction jobs—highway, commercial, and other construction, are high-paying, full-time, and keep the average wage per worker still employed, fairly high.

As the economy moves now to a new period of growth, the effects of this recession on wages, employment, and household incomes will be felt over an extended period of time. Many structural changes that are not now evident will likely occur in the labor market in the coming years.

Truck Drivers

The World through a Windshield

According to the Standard Occupational Classification Manual, truck drivers and driver/sales workers consist of workers from one of three categories: drivers/sales workers or heavy/tractor-trailer operators or light/delivery drivers. The light or heavy, of course, applies to the vehicles, not the drivers. That's a different classification entirely*.

Of the 3.2 million truck drivers in the U.S., 13 percent are driver/sales workers who drive a truck or other vehicle over established routes or territories. They sell goods, take orders, collect payments and pick up and deliver items such as food or laundry. Training for this occupation is short-term on-the-job.

In Utah, this occupation is projected to experience little or no employment growth, but there will be a moderate volume of annual job openings. The need for replacements, rather than from business expansion, will make up the majority of job openings in the coming decade.

A heavy and tractor-trailer driver (56 percent of all truck drivers) operates a vehicle with a capacity of at least 26,000 pounds gross vehicle weight (GVW.) Usually called long-haul or over-the-road drivers, they deliver goods over routes that cross state lines. Choosing this occupation means being gone from home and being alone for long periods of time while homing in on the truck stop with the best food and a bottomless cup of coffee*.

The U.S. Department of Transportation regulates working hours and conditions of truck drivers engaged in interstate commerce. They may drive for no more than eleven hours per day and work a total of no more than fourteen hours—including driving and non-driving duties. Between working periods, a driver must have at least ten hours off duty. A driver may not work more than sixty hours in a week without being off-duty for at least thirty-four hours straight. Most drivers are paid by the number of miles they drive.

Drivers who operate trucks with a gross vehicle weight of more than 26,000 pounds, or who operate a vehicle carrying hazardous materials or oversized loads, need a commercial driver's license (CDL). Training for the CDL is offered by many private and public vocational schools. A driver must be at least 21 years of age to cross state lines or get special endorsements, and must pass a physical examination every two years.

In Utah, it is projected that long-haul trucking will experience about average employment growth with a high volume of annual job openings.

Business expansion, as opposed to the need for replacements, will be the source of the majority of job openings in the coming decade.

Driver and Truck Driver Wages

Published June 2009
(data from May 2008)

Occupation	Area	Annual Median Wage
Driver/Sales Worker	Utah	$25,080
Truck Drivers, Heavy or Tractor/Trailer	Utah	$37,420
Truck Drivers, Light or Delivery Services	Utah	$22,960

Source: Department of Workforce Services

Business expansion, as opposed to the need for replacements, will be the source of the majority of job openings in the coming decade.

Light or delivery services truck drivers (31 percent of all truck drivers) deliver goods within a specified area while driving a truck or van with a capacity of under 26,000 GVW. These drivers usually return home every evening, have regular routes and their job involves a considerable amount of lifting, carrying, and walking.

In Utah this occupation will experience about average employment growth with a high volume of annual job openings. Business expansion, as opposed to the need for replacements, will be the source of the majority of job openings in the coming decade.

**A little levity from the daughter of a long-haul trucker with a thirty-five year career.*

Other resources:

- http://jobs.utah.gov
- www.bls.gov

*Governor's Office of Economic Development

BUSINESS RESOURCE CENTERS
Helping Utah Businesses Succeed

The Business Resource Centers Program is sponsored by the Governor's Office of Economic Development.

Small business owners have many questions on how to best position themselves for success. Questions abound on business planning, tax structure, personnel, training, marketing, locations, contracting, administrative services, mentoring, and funding. The good news is that there are plenty of places, funded at the federal, state and local level, to help. The bad news is it takes a lot of work to find them all.

A few years ago, business owners needed to travel from one location to another or search the web to find answers to their questions, becoming very frustrated in the process. Now, regional Business Resource Centers (BRCs) provide a better way.

BRCs consolidate various business service providers in a single location to answer most small business owners' questions. The BRC staff assists in coordinating the services of local business service provider partners making the delivery of counseling and assistance more effective and ensuring that business owners and managers receive all the help they need to be successful.

When the business customer comes through the door or makes a phone call the center personnel first conduct an assessment to understand the business owner's needs, and sets up appointments with various service providers who can best assist them. The center personnel then conduct follow-up to ensure the customer has seen all needed providers, to reach out as necessary across the state for other services and to measure the success of service delivery.

The idea of a one-stop shop isn't new and various efforts have been considered before, but the idea really took off in 2008 when the Utah State Legislature, desiring to improve the success rate of Utah small businesses, got behind the effort and passed the Utah Business Resource Centers Act which became law in March of that year. The first BRCs were up and running in late 2008 and additional ones started throughout 2009.

All Business Resource Centers are tailored to the local community they serve and have service providers as partners who are experts in their fields. Some of the partners found at the BRCs include the Small Business Development Center, which is sponsored by the U.S. Small Business Administration, the Procurement Technical Assistance Center which provides governmental contracting assistance, Manufacturers Extension Partnership, Service Corps of Retired Executives (SCORE), USTAR, investors, micro loan organizations, business incubators, chambers of commerce, local economic development organizations and resources available at the local educational sponsor.

In 2009 over 500 business customers visited the initial three BRCs, creating or retaining over 340 jobs. In addition, over 1,600 businesses visited all of the business partners operating out of those same three BRCs during this same time period.

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Currently there are eight Business Resource Centers (BRC) operating across Utah:

- Cache BRC at the Bridgerland ATC in Logan
- North Front BRC at the Davis Applied Technology College in Kaysville
- Miller BRC at the Miller Campus of Salt Lake Community College in Sandy
- Utah Valley University BRC in Orem
- Southern Utah University BRC in Cedar City
- Dixie BRC in St. George
- Carbon & Emery BRC in Price
- Zions BRC in Salt Lake City

Find more information: please see the GOED website at www.goed.utah.gov/start/Business-Resource-Centers.

COMMUTING: DOES YOUR COUNTY IMPORT OR EXPORT WORKERS?

The American Community Survey tells us that the average Utah worker spends just about 21 minutes traveling to work each day.

If you're like me, you spend a lot of time commuting. Personally, I've listened to countless books on tape and tallied immeasurable miles driving to and from my place of employment. The American Community Survey tells us that the average Utah worker spends just about 21 minutes traveling to work each day (slightly less than the average U.S. worker with a 26-minute commute). However, because of its limited sample size, the American Community Survey reveals little about who is crossing county lines for employment purposes.

COMING AND GOING

Fortunately for data geeks, information from the Local Employment Dynamics (LED) program (operated by the U.S. Census Bureau) exposes the dramatic amount of commuting occurring in Utah. Plus, newly updated information for 2008 provides a relatively recent snapshot of commuter data. Essentially, the LED database compares where workers are employed and where they live. And, the best part? Using the program software, one can easily map and compare where workers live and work to determine commuting patterns both in and out of your particular county.

WORKER IMPORTING OR EXPORTING?

Because this article focuses on the less-populated counties in Utah, we'll ignore the commuting patterns for the behemoth counties of the Wasatch

Front. To determine whether or not a county is a net importer or exporter of workers, I've extracted two data items—the number of out-of-county workers commuting to jobs within a particular county (inflows) and the number of county residents who work outside their county of residence (outflows). If a county's labor inflows are greater than its outflows, it's a worker importer. If worker outflows outnumber inflows, the county is a labor exporter.

SENDING THEM AWAY

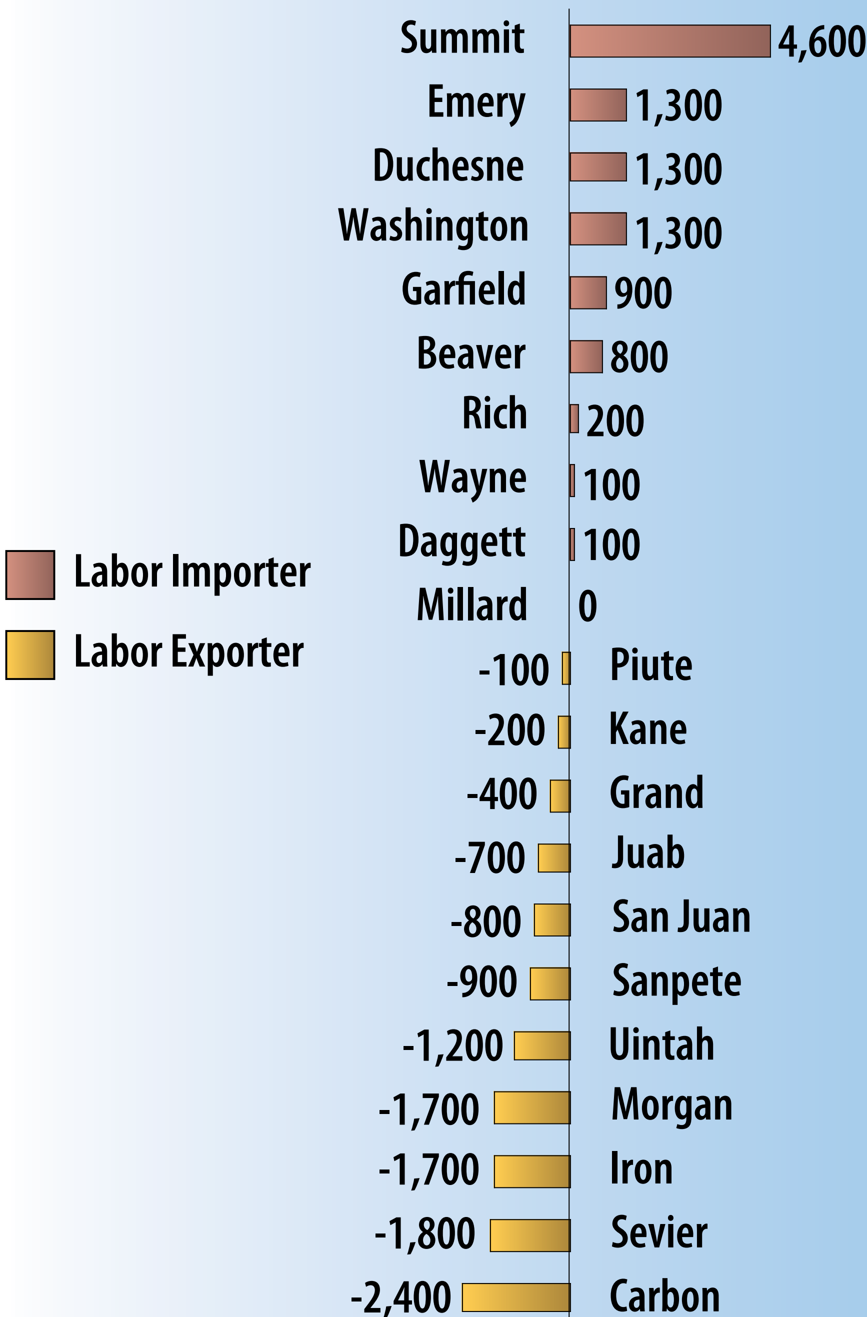
Not surprisingly, a majority of small Utah counties rank as labor exporters. City workers often prefer living in less-populated areas for aesthetic/quality of life reasons or because housing is less expensive. In addition, finding employment in rural areas may necessitate searching farther afield. Tooele, located on the periphery of the Wasatch Front appears, by far, the largest exporter among this group of 15 worker-exporting counties.

BRINGING THEM IN

While Millard County exports roughly the same number of workers that it imports, another nine counties show up as labor importers. Tourism-dependent Summit, Garfield, and Wayne counties are heavily dependent on imported labor. Duchesne and Emery counties import labor to work in their extractive industries. On the other hand, Washington County's 2008 labor importation seems more reflective of its explosive short-term building bubble than of a long-term trend—prior to 2007 the county showed a net outflow of workers.

Obviously, there's a whole lot of commuting going on. As more data becomes available, it will be interesting to note just what impact (if any) the recession has caused in commuting patterns. In this article, I've just scratched the surface of the commuting data that is available. If you are interested in finding out more about commuting in (and out) of your particular county, you can check out the LED web site: http://lehd.did.census.gov/led/

NET-FLOWS OF LABOR 2ND QUARTER 2008



Source: U.S. Census Bureau, Local Employment Dynamics OnTheMap Origin-Destination Database.

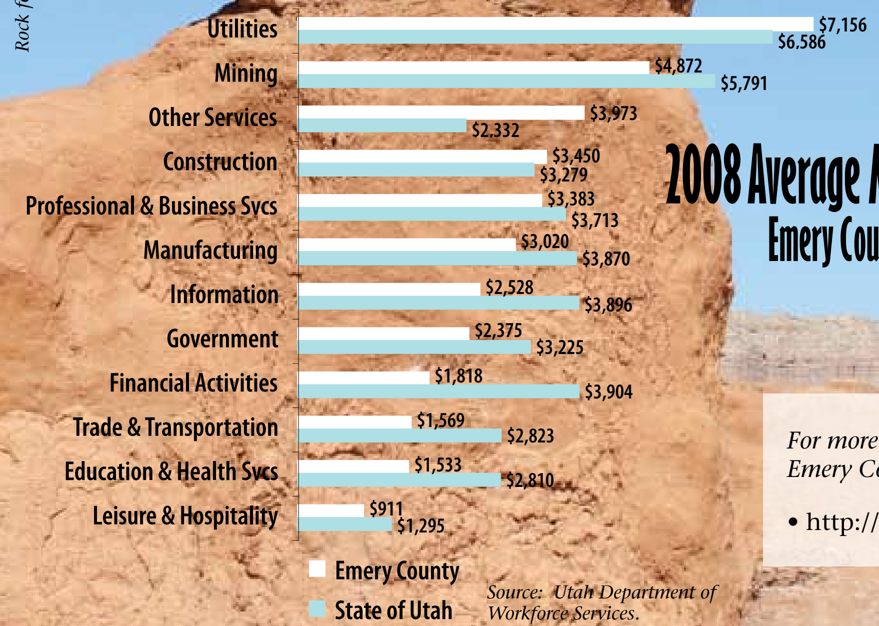
Emery County

Emery County has its fair share of Utah's magnificent scenery. Fully encompassed within its borders, the San Rafael Swell features impressive canyons, buttes, arches, and Native American pictographs and petroglyphs. The county is also home to four state parks, the most famous of which is the extraordinary Goblin Valley State Park.

The Emery economy is dominated by the energy-related industries of coal mining and utilities. These two industries accounted for 29 percent of all jobs in 2008. Workers in the mining and utilities industries received the highest average wages in Emery and they took home just over 50 percent of all wages paid in the county.

Government is the next largest employer. More than 23 percent of all jobs in Emery were government jobs, and these jobs accounted for roughly 17 percent of all wages received. Nearly 86 percent of all government employment was at the local level and most of these jobs were in public education (39 percent), healthcare (17 percent), and public administration (24 percent). Taken together, workers in the mining, utilities, and government sectors received two-thirds of all wages paid in Emery County.

Rock formation at Goblin Valley State Park.



2008 Average Monthly Wages by Industry
Emery County and the State of Utah

Source: Utah Department of Workforce Services.

For more information, enter the link below and select Emery County:

- http://jobs.utah.gov/jsp/wi/utalmis/gotoCounties.do

just the facts...

December 2009 Unemployment Rates

		Changes From Last Year	
Utah Unemployment Rate	6.7 %	Up	2.6 points
U.S. Unemployment Rate	9.7 %	Up	2.6 points
Utah Nonfarm Jobs (000s)	1,192.5	Down	4.4 %
U.S. Nonfarm Jobs (000s)	130,431.0	Down	3.6 %
December 2009 Consumer Price Index Rates			
U.S. Consumer Price Index	216.0	Down	2.7%
U.S. Producer Price Index	176.2	Up	4.4%

Source: Utah Department of Workforce Services

December 2009 Seasonally Adjusted Unemployment Rates

Beaver	6.9 %
Box Elder	7.2 %
Cache	4.7 %
Carbon	7.5 %
Daggett	5.5 %
Davis	6.1 %
Duchesne	7.4 %
Emery	7.5%
Garfield	9.3 %
Grand	8.7 %
Iron	8.0 %
Juab	9.9 %
Kane	7.2 %
Millard	5.6 %
Morgan	6.3 %
Piute	5.2 %
Rich	4.2 %
Salt Lake	6.4 %
San Juan	12.3 %
Sanpete	7.6 %
Sevier	7.6 %
Summit	5.9 %
Tooele	7.8%
Uintah	6.8 %
Utah	6.3%
Wasatch	7.4 %
Washington	8.7 %
Wayne	8.3 %
Weber	7.6 %

Watch for these features in our

Next Issue:

Theme:
Outlook for College Grads and Summer Youth Jobs

County Highlight:
Duchesne

Occupation:
Emerging Occupations

Utah Department of Workforce Services
Workforce Development and Information Division
140 E. 300 S.
Salt Lake City, UT 84111

who knew?

- Get Total Personal Income in Utah by District and County
- Find Wages by Occupation
- Learn how to Use Occupational Wage Data
- Search for Utah's Top Twenty Highest Paying Occupations
- Pinpoint Per Capita and Personal Income in Utah

Find it at
jobs.utah.gov